

To the Members of the California State Assembly:

I am returning Assembly Bill 2593 without my signature.

This bill is not necessary. The Public Utilities Commission (PUC) has been successfully administering the Self-Generation Incentive Program, offering financial incentives to utility customers that install new equipment to meet all or a portion of their facilities' electric energy needs. The PUC through Public Utilities Code Section 379.5, 379.6 and 701 grants authority to adjust that program. Therefore, this bill duplicates the PUC's existing authority.

The PUC already has the authority to rescind their collection of funds for the SGIP. Southern California Edison, the sponsor of this measure, is the only one of the investor-owned utilities whose SGIP program is over-funded. For example, Pacific Gas & Electric Company has transferred over \$15 million into this fund to meet program demand. The issue here may be over collection or it may be program implementation, however this is an issue that the PUC can resolve. This bill would duplicate existing PUC authority.

Sincerely,

Arnold Schwarzenegger